Doc #5071
ADOPTED AT 7/14/88 MTG
(AMENDED

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY
RE: FINAL DESIGNATION OF TENANTS DEVELOPMENT CORPORATION
APPROVAL OF FINAL WORKING DRAWINGS AND SPECIFICATIONS
AND PROPOSED DISPOSITION PARCEL SE-59 TO 66
IN THE SOUTH END URBAN RENEWAL AREA
PROJECT NO. MASS. R-56

WHEREAS, the Boston Redevelopment Authority (hereinafter referred to as the "Authority"), has entered into a contract for loan and capital grant with the Federal Government under Title I of the Housing Act of 1949, as amended, which contract provides for financial assistance in the hereinafter identified project; and

WHEREAS, the Urban Renewal Plan for the South End Urban Renewal Area, Project No. Mass. R-56 (hereinafter referred to as the "Project Area"), has been duly reviewed and approved in full compliance with local, state and federal law; and

WHEREAS, the Authority is cognizant of the conditions that are imposed in the undertaking and carrying out of urban renewal projects with federal financial assistance under said Title I, including those prohibiting discrimination because of race, color, sex, religion, or national origin; and

WHEREAS, The Tenants Development Corporation has expressed an interest in and/or submitted a satisfactory proposal for the development of Disposition Parcels SE-59 to 66 in the South End Urban Renewal Area; and

WHEREAS, the Authority is cognizant of Chapter 30, Sections 61 through 62H of the Massachusetts General Laws, as amended, with respect to minimizing and preventing damage to the environment:

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

1. That The Tenants Development Corporation be and hereby is finally designated as Redeveloper of Parcels SE-59 to 66 in the South End Urban Renewal Area.

2. That it is hereby determined that The Tenants Development Corporation possess the qualifications and financial resources necessary to acquire and develop the land in accordance with the Urban Renewal Plan and the Project Area.

3. That disposal of said parcel by negotiation is the appropriate method of making the land available for redevelopment.

4. That the Final Working Drawings and Specifications submitted by The Tenants Development Corporation for the development of

Parcels SE-59 to 66 conform in all respects to the Urban Renewal Plan for the Project Area, and that said Final Working Drawings and Specifications be and hereby are approved.

5. That it is hereby found and determined that the proposed development will not result in significant damage to the environment and further, that all practicable feasible means and measures have been taken to avoid or minimize damage to the environment.

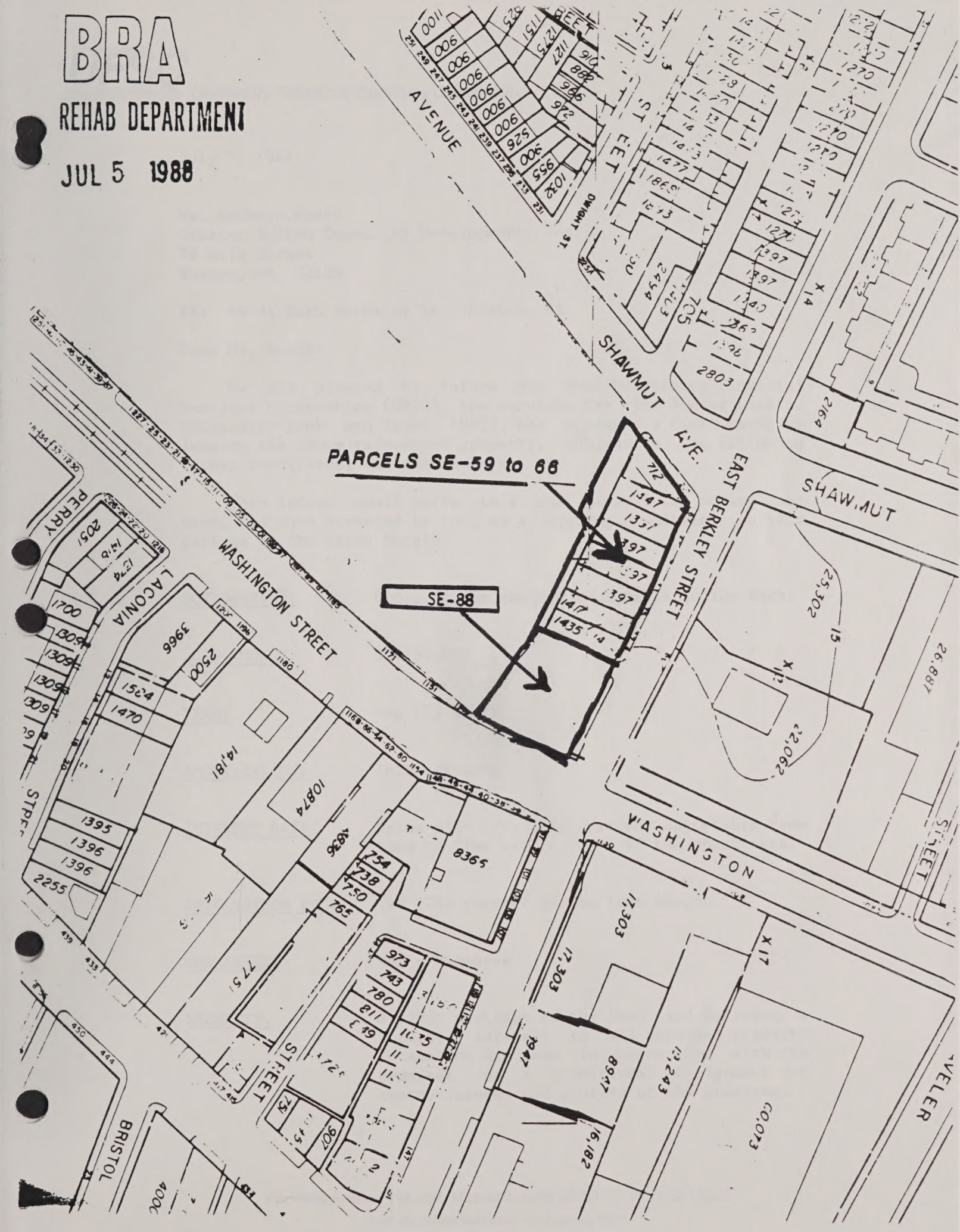
6. That the Director is hereby authorized for and in behalf of the Boston Redevelopment Authority to execute and deliver a Land Disposition Agreement and Deed conveying Parcels SE-59 to 66 to The Tenants Development Corporations, said documents to be in the Authority's usual form, and further, that the Director is authorized to execute a License or Lease Agreement with the Tenants Development Corporation for Parcel SE-88 in the South End Urban Renewal Area, for the purpose of off-street parking for T.D.C.'s housing development on East Berkeley Street, said License or Lease Agreement to contain such terms and conditions as the Director deems appropriate and in the best interest of the Authority.

7. That the Secretary is hereby authorized and directed to publish notice of the proposed disposal transaction in accordance with Section 105(E) of the Housing Act of 1949, as amended, including information with respect to the "Redevelopers Statement for Public Disclosure" (Federal Form H-6004).

BRA

REHAB DEPARTMENT

JUL 5 1988



UFSC University Financial Services Corporation

July 7, 1988

Ms. Kathryn Kasch
Greater Boston Community Development, Inc.
79 Milk Street
Boston, MA 02109

RE: 69-81 East Berkeley St., Boston, MA

Dear Ms. Kasch:

We are pleased to inform you that University Financial Services Corporation (UFSC), the servicer for the lender herein, University Bank and Trust (UBT), has approved a first mortgage loan on the above referenced property, subject to the following terms, conditions, and requirements.

This letter shall serve in a dual capacity as an application, and when accepted by you, as a binding commitment on your part as to the terms herein.

BORROWER(S):	G.B.C.D., or nominee acceptable to the Bank.
LOAN AMOUNT:	$2,950,000
TERM:	Two (2) years
AMORTIZATION:	Interest only
INTEREST RATE:	Prime plus two (2%) percent adjustable from time to time with a floor of the start rate.
ORIGINATION FEE:	Two (2%) percent of the loan amount.
GUARANTEE:	Non - Recourse
SECURITY:	A first mortgage of the land and building, a security interest in all personal property located on and used in connection with the premises and a conditional assignment of rents, issues, and profits of the premises.

SPECIAL CONDITIONS:

1) Closing of the loan is contingent upon approval by the Boston Redevelopment Authority (B.R.A.), to convey the land to G.B.C.D. and/or T.D.C. for the sum of $70,000. Payment of said funds to be deferred until U.F.S.C. has been paid in full;

2) It is recognized and agreed that the total project budget will be $4,290,000±, as follows;

Acquisition	* $70,000	(B.R.A. Deferred Cost)
Legal	30,000	
Architectural	* 75,000	(Prepaid by T.D.C.)
Engineering	30,000	
Accounting	10,000	
Survey/Permits/Misc.	60,000	
R.E. Taxes	10,000	
Insurance	18,000	
Bond	30,000	
Dev. Consultant (G.B.C.D.)	75,000	
Construction Hard Costs	3,000,000	
Loan Fees	59,000	
Interest Reserve	400,000	
Marketing	50,000	
Sponsor Fee (T.D.C.)	* 100,000	(Deferred)
Contingency/Misc.	273,000	
TOTAL	$4,290,000	

* (Payment to be deferred until UFSC is paid in full)

3) The loan is subject to the execution of a fixed price, construction contract not to exceed $3,000,000. The contract with the general contractor is subject to review and approval by UFSC, and the contract shall grant to UFSC the option to require the contractor to complete construction of the Development in the event the Borrower defaults, under the terms of the loan documents;

4) A performance bond, a labor and material payment bond, and a lien bond shall be provided from a surety satisfactory to UFSC, in the amount(s) of 100% of the cost of construction of the building and related improvements. Said bond(s) shall name UFSC as a dual obligee thereunder;

5) The loan is contingent upon the closing of the proposed $1,094,725 "linkage funds" loan. Said funds are to be deposited in a demand deposit checking account at University Bank, N.A., and will be controlled by UFSC (via construction loan draw requests) for the benefit of the project;

6) Funds will be advanced as work is performed and materials in place as per plans and specifications to be filed with UFSC prior to closing;

7) Advance of said funds is contingent upon receipt of requisitions, verification of costs, and inspection of the premises;

8) There will be a ten (10%) percent retainage of "hard costs" per disbursement, to be released upon completion of construction and issuance of a "certificate of occupancy";

9) UFSC reserves the right to retain any funds not drawn during the construction period;

10) The loan is subject to the execution of a "Purchase and Sales" contract by the Boston Housing Authority (B.H.A.) for eleven (11) of the proposed units (5 two-bedrooms, and 6 three-bedrooms) for an aggregate price of $1,380,000;

11) It is understood that eleven (11) of the proposed units will be sold to "moderate-income" buyers (sales prices as follows: two (2) one-bedrooms @ $65,000, seven (7) two-bedrooms @ $75,000, and two (2) three-bedrooms @ $85,000). The closing of the loan is contingent upon evidence of a commitment for "end-loan" financing (M.H.M.F.A. or H.O.P. funds) for potential purchasers;

12) Upon completion of the proposed condominiums, UFSC will grant partial releases of the mortgage upon receipt of the following principal reductions;

A) Low Income Units (11 units)

Unit Type	Principal Reductions
Two bedrooms (5)	$120,000
Three bedrooms (6)	$130,000

B) Moderate Income Units (11 units)

Unit Type	Principal Reductions *
One bedrooms (2)	$65,000
Two bedrooms (7)	$75,000
Three bedrooms (2)	$85,000

* Less closing costs, not to exceed five (5%) percent of the gross sales price.

C) Market Units (13 units)

Unit Type	Principal Reductions
Studios (1)	$72,000
One bedrooms (8)	$85,500
Two bedrooms (2)	$126,000
Three bedrooms (2)	$180,000

One hundred (100%) percent of the net sales prices, however in no event less than the above mentioned minimum principal reduction.

13) The loan is subject to the establishment and maintenance of a commercial checking account at University Bank and Trust (UBT) for the cash flow and operations of the premises at a minimum subject to provisions in Exhibit A hereof;

14) Financials on all party's and/or entities that are pertinent to this transaction, in UFSC's sole judgement and discretion, shall be submitted and/or resubmitted in form and substance acceptable to UFSC for final review and approval as a condition of closing prior to closing. If such financials are not submitted (or resubmitted) and/or do not meet the approval of UFSC in its sole discretion and judgement, this transaction shall not close and all obligations of UFSC shall be null and void. See Exhibit A section 22 of the General Conditions which are made a part hereof.

15) Any other terms and conditions the Lenders counsel may deem appropriate for this transaction shall be agreed to and incorporated into the loan.

GENERAL CONDITIONS:

In addition, the loan will be subject to the general conditions as stated in Exhibit A (attached). Borrower shall initial and date each page and return Exhibit A with this signed commitment.

The loan commitment shall be deemed unaccepted by its terms if Exhibit A is not initialed and dated as set forth above.

UFSC ATTORNEY:

Mr. Walter Wekstein
Gadsby and Hannah
Post Office Square
Boston, MA 02109
(617) 357-8700

shall be the attorney who will close this loan and certify the title to us at your expense. Should you have any questions concerning this matter, please contact our attorney at once.

This commitment is issued on the condition that none of UFSC's or UBT's directors, officers, counsel or agents shall be liable personally hereunder for any action hereto. The Borrower upon acceptance hereof, agrees that in the event of a dispute with respect to this commitment or any loan pursuant hereto, the Borrower shall look solely to UFSC for any performance of any obligation, or any other claim.

Please sign and date the original copy of this letter and Exhibit A (attached to the commitment letter) and return them to the attention of Carol Lockard by July 14, 1988 along with a $10,000 good faith commitment fee. Upon closing of the loan, the entire fee will be applied as the origination fee, however, if the loan should not close due to any fault of the Borrower in UFSC's sole judgement, UFSC will retain the entire deposit. If the mortgage is not consummated within forty-five (45) days of the date of this letter, this commitment shall become null and void and the deposit forfeit.

Enclosed please find UFSC's commercial loan application which, due to our auditing requirements, we must have on file for every loan. Please sign and date where indicated on page 5 of the application and return with the commitment letter.

Sincerely,

Stephen K. Hall
Executive Vice President

Acknowledged and Accepted:

_____ _____

Kathryn Kasch Date

encls.

cc: Walter Wekstein

Initial_____

Date_____

EXHIBIT A

GENERAL CONDITIONS

1. Late Charge: In the event that any periodic payment of interest and/or principal shall remain unpaid for fifteen (10) days a late charge equal to five percent (5%) of each dollar due will also be due.

2. Escrow for Taxes: The Borrower shall be required to deposit with UFSC on each interest payment date, one-twelfth of an amount which in UFSC's opinion will be sufficient to pay all municipal charges and assessments applicable to the premises, including without limitation, real estate taxes and betterment assessments.

3. Insurance: The Borrower shall keep the premises and all property covered by the security interest adequately insured with fire and broad form extended coverage insurance policies for 100% of their full replacement value, which in no event shall be less than the amount of the loan unless specifically agreed to in writing by UFSC. The Borrower will deposit with UFSC original policies for such insurance naming UFSC as loss payee under a standard mortgage clause. The insurance shall include coverage for loss of rents on the premises for at least one year in the event of casualty. UFSC reserves the right to request additional insurance coverage including but not limited to flood, earthquake and contingent liability from the operation of any building laws as they may pertain to nonconforming property. All policies shall contain a provision requiring at least 20 days advance notice to UFSC before any policy cancellation or modification.

4. Annual Financial Statements on Borrower(s) and/or Guarantor(s) due 90 days from close of fiscal year inclusive of complete income and expense statement on property. In addition, thereto any major lessee, tenant and/or entity or person having a major effect and/or being relied upon by lender in entering this transaction the same shall be required thereof.

5. Brokerage: The Borrower shall be solely responsible for any brokerage commission or fee which may be claimed or be payable in connection with the issuance of this commitment or the making of the loan, and the Borrower hereby agrees to indemnify and hold UFSC harmless from and against any such claim.

6. Liability Insurance: The Borrower shall carry prudent amounts of liability insurance protecting the Borrower and UFSC against any accident or occurrence in or on the premises, and certificates of such insurance shall be furnished to UFSC on demand.

7. Survey: At least 10 days prior to the loan closing, the Borrower shall provide UFSC's attorney with a survey, with a licensed surveyor's or civil engineer's certificate thereon, dated within 30 days prior to such delivery, showing the premises, the dimensions and the area thereof, dimensions and locations of all improvements, utilities, parking areas, driveways, easements, the location of any wetlands, zoning district lines, adjoining streets and distance to and name of the nearest intersecting street.

8. Compliance with Zoning and Other Laws: At least 10 days prior to the loan closing, the Borrower shall submit written evidence in form and substance satisfactory to UFSC's counsel that the premises, all improvements thereon and the use thereof, are in complete compliance with all zoning laws, building codes, environmental laws and other laws and regulations applicable to the premises and the use thereof and that all licenses, permits and certificates of occupancy have been issued to permit the lawful use of the premises as contemplated by the Borrower.

9. Damage to Premises: At the closing of the loan, no part of the premises or the improvements thereon shall have been damaged without restoration to UFSC's satisfaction, nor taken in condemnation or other title proceeding, nor shall any such proceeding be pending.

10. Expenses: Whether or not this commitment is terminated for any reason, and whether or not the loan closes, the Borrower agrees to pay for all expenses, fees, and charges in respect of the loan or in any way connected therewith, including, without limiting the foregoing, appraisal fees, legal fees, architects' and engineers' fees, survey costs, brokerage commissions, title costs, recording costs or stamps, or any such customary and reasonable expenses as are normally and reasonably incurred in connection with the processing and/or consummation of the loan. The good faith deposit returned with this executed letter shall not be considered or used to retire any of these expenses (whether the loan closes or not) rather it shall be applied to the commitment fee and/or returned as set forth in the section dealing with this deposit.

11. Approvals: UFSC's counsel shall approve each instrument or document required to be furnished by the Borrower pursuant to this commitment. Such approval shall be as to both form and substance, and shall be determined by them in their absolute and sole discretion and judgment.

12. Financial Condition of Borrower: If the premises or the Borrower shall be the subject of any pending or imminent litigation, or if the Borrower shall be the subject of any bankruptcy, reorganization, insolvency and/or adverse or other change therein or undisclosed information between the date of issuance of this commitment and the date of closing, UFSC shall have the right not to close the loan. For purposes of this clause the term Borrower shall include all parties and/or entities etc., in UFSC's sole judgement, that are pertinent to this transaction.

13. Opinion: UFSC reserves the right to require an opinion of Borrower's counsel as to the validity and enforceability of UFSC's rights under the loan documents, such opinion to be in the form and substance satisfactory to UFSC's counsel.

14. Transfers of Borrower's Interest: The identity of the Borrower is of material importance to UFSC. This commitment and any collateral for the loan shall not be assigned or transferred by the Borrower, nor may there be any sale or transfer of ownership of any interest in the mortgage or encumbrance on the premises will be allowed without UFSC's prior written consent.

15. Other Documentation: UFSC or its counsel may require further assurances (such as, but not limited to, final acceptance by lender of financials, leases, environmental issues etc.) instruments and documents as may be determined prior to or at the closing as requirements for closing.

16. Inspections: UFSC or its authorized agent may inspect the premises during normal business hours during the term of the loan. The services of an outside consulting engineer and/or architect may be employed by UFSC to review estimated construction costs, the plans and specifications and to certify in connection with requested advances that construction is in accordance with the original plans and specifications as approved by UFSC and other persons or entities. He will also certify that construction has reached a stated percentage of completion and to such other matters in connection with the construction as UFSC may require. The cost of retaining such consultant(s) and/or associated internal costs related to said inspections, shall be borne by the Borrower.

17. Participation: UFSC reserves the right to participate with other lending institutions in making this loan.

18. Representations: All representations made by the Borrower to UFSC in the Mortgage Loan application or otherwise with respect to obtaining the loan shall be deemed to be material and relied upon by UFSC in issuing this commitment and shall survive the closing the loan. In the event such representations are not fully correct and/or disclosed, UFSC shall not close the loan.

 Initial_____

Date_____

19. Title Insurance: The Borrower agrees to provide UFSC with an ALTA Lenders Title Insurance Policy in form and substance satisfactory to UFSC.

20. Mass General Laws, Chapter 21E and such laws in other States (Superfund):
The Borrower(s) and/or Guarantor(s) shall submit written evidence in form and substance satisfactory to UFSC and UFSC's attorneys, that no oil or hazardous material, as such terms are defined by Massachusetts General Laws, Chapter 21E, (or such corresponding law in the state in which the property is located) are present on or in the premises and that there is no threat of release of oil or hazardous material on or in the premises.

21. Appraisal: The loan is contingent upon an independent appraisal estimating the fair market value of the security, in form and substance satisfactory to UFSC, and assigned by UFSC to an approved appraiser of UFSC's choice. The appraisal is to be submitted prior to the closing of the loan unless otherwise specified by UFSC. In no event shall the loan close without a verbal verification of value from the Appraiser. The cost for said appraisal is to be borne by the Borrower whether or not the loan is closed. This obligation of the Borrower shall be fixed regardless of any fault of either party and/or reason without recourse to lender.

22. Financial Reports: Immediately prior to closing and as a condition thereof updated and current Financials of Borrowing party(s) and/or entity(s), Guarantor(s) and any other party(s) and/or entity(s), in UFSC's sole opinion, that may or will have a material effect on the transaction at closing and/or thereafter shall be required to be submitted or resubmitted for review and approval by UFSC. These Financials shall be a full set including Balance Sheet and Profit and Lose Statements for several years with all required backup. These Financials shall have been prepared by a certified accountant external from the party(s) submitting them. In the event such Financials are not approved by UFSC in its sole discretion, the transaction shall become null and void. UFSC in its sole discretion may, in writing, accept Financials not so prepared as set forth above. This section is in addition to not substituted for earlier required submissions of Financial information for review by UFSC prior to and after issuance of a letter of intent and/or commitment.

23. Borrower: The term Borrower shall include other party's, entity's etc. which UFSC in its sole judgement shall determine appurtenant for the purposes of meeting and satisfying the requirements of this commitment.

MEMORANDUM

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: RICARDO A. MILLETT, ASSISTANT DIRECTOR FOR
NEIGHBORHOOD HOUSING AND DEVELOPMENT
ROBERT McGILVRAY, CHIEF OF REHABILITATION

SUBJECT: SOUTH END URBAN RENEWAL AREA PROJECT NO. MASS R-56, FINAL DESIGNATION OF REDEVELOPER OF REUSE PARCELS SE-59 TO 66, LOCATED AT 67 TO 81 EAST BERKELEY STREET AND 212-214 SHAWMUT AVENUE, AND APPROVAL OF LEASE AGREEMENT FOR PARCEL SE-88

SUMMARY: THIS MEMORANDUM REQUESTS THAT THE AUTHORITY FINALLY DESIGNATE THE TENANTS DEVELOPMENT CORPORATION OF BOSTON AS REDEVELOPER OF PARCELS SE-59 TO 66 FOR THE REDEVELOPMENT OF EIGHT VACANT MASONRY BUILDINGS ON EAST BERKELEY STREET, BETWEEN WASHINGTON STREET AND SHAWMUT AVENUE, INTO 35 UNITS OF HOUSING, TWO-THIRDS OF WHICH WILL BE AFFORDABLE TO LOCAL FAMILIES, AND FURTHER, IT REQUESTS PERMISSION FOR THE DIRECTOR TO EXECUTE A LEASE AGREEMENT WITH T.D.C. FOR PARCEL SE-88 FOR OFF-STREET PARKING FOR THE HOUSING DEVELOPMENT.

On June 25, 1987, the Tenants Development Corporation of Boston was tentatively designated to develop eight, vacant and deteriorating buildings on East Berkeley Street into thirty-five units of housing. In accordance with SENHI guidelines two-thirds of the units will be affordable to low and moderate income families. Current projections are for eleven (11) units to be sold to the Boston Housing Authority (BHA) through the 705 program for the benefit of low income families. An additional eleven (11) units will be sold to moderate income families through the Homeownership Opportunity Program (HOP). In addition, the Authority voted to grant permission for early entry to the property to stabilize the structures, which face on a public way.

The Tenants Development Corporation has complied with the terms of the Early Entry License, and has stabilized or removed the hazardous conditions.

Final working drawings have been submitted by the developer and have been approved by the staff. The developer has requested and received relief from the Zoning Board of Appeals regarding open space, floor area ratio, rear yards, roof structures, and with Authority concurrance, leased land on an adjacent BRA-owned parcel, Parcel SE-88, 83 E. Berkeley Street, 1135-1149 Washington

Street, for off-street parking. Twenty (20) parking spaces are proposed for this site. The BRA will continue to work with the developer and the neighborhood on a long term parking solution.

Rehab and developement costs have been submitted, as well as a financial plan, and these have been reviewed and approved by the staff. Construction financing on this $4.3 million project has been arranged with the University Financial Services Corp. (See attached committment letter)

It is therefore recommended that the Tenants Development Corporation be finally designated as redeveloper of Parcels SE-59 to 66, containing eight vacant buildings on 17,488 square feet of area, located at 67 to 81 East Berkeley Street and 212-214 Shawmut Avenue, in the South End Urban Renewal Area.

An approporiate resolution is attached.